GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:266
ANSWERED ON:03.02.2017
Gold Import
Sreeramulu Shri B.

Will the Minister of FINANCE be pleased to state:

(a) the position of India among the top ten gold holding countries of the world;

(b) whether the measures taken by the Government have decreased Gold import during the last three years;

(c) if so, the details thereof;

(d) whether the Government proposes to provide incentives to promote sovereign gold bond and decrease the gold import and if so, the details thereof; and

(e) the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a) The Government does not maintain any data regarding holding of gold in various countries of the world. However, as per estimates over 20000 tonnes of gold is held by households, trusts and various institutions in India.

(b) to (e) To mobilize the idle gold held by households and institutions in the country and to put this gold into productive use and in the long-run, to reduce the current account deficit by reducing the country's reliance on the imports of gold to meet the domestic demand, Government launched Gold Monetisation Scheme and Sovereign Gold Bond Scheme in November, 2015. The details of the gold imported during the last three years are as under:

YEAR QTY(TON) VAL(MILLION USD)
2014-15 915.47 34407.18
2015-16 968.06 31770.74
2016-17 (APR TO DEC) 492.85 17732.42

NOTE: FIGURES FOR 2016-17 (APR TO DEC) IS PROVISIONAL. (Source: DGCIS)

To promote the Sovereign Gold Bond (SGB) Scheme following measures have been taken by the Government:

(i) Capital Gain tax arising on redemption of SGB to an individual has been exempted. Also, indexation benefits are being provided to long term capital gain arising on transfer of SGB.
(ii) A discount of Rs. 50 per gram was offered in the SGB Series III (Tranche VI) issued on November 17, 2016.
(iii) The minimum investment limit has been reduced from 2gms to 1gms w.e.f. the IInd Tranche of SGB issued in February, 2016.